

August 4, 2009

The Honorable Ben S. Bernanke  
Chairman  
Board of Governors of the Federal Reserve  
20<sup>th</sup> & C Streets NW  
Washington, DC 20551

Re: Interim Final Rule Implementing the Credit Card Accountability Responsibility and Disclosure Act

Dear Chairman Bernanke:

On behalf of the Houston Police Federal Credit Union, I am writing to you and the entire Board of Governors to respectfully request that the Board delay compliance with the 21-day notice provisions for open-end plans other than credit cards set to take effect August 20, 2009, under the Board's new interim final rule implementing the Credit Card Accountability Responsibility and Disclosure Act of 2009 (CARD Act). Houston Police Federal Credit Union serves over 25,000 members in the greater Houston area.

We are facing great difficulty as we seek to make good faith efforts to comply with the 21-day notice provisions for all open-end plans, which include general lines of credit, lines of credit associated with share draft and checking accounts, signature loans, home equity lines of credit and many other types of loans that are permitted under open-ended lending. While we want to comply with all legal requirements, the provision that prohibits creditors from treating payments as being late, which will mean we cannot file a credit report, must advance credit or may not charge a late fee even if the payment was late, unless we provide a periodic statement disclosure to members 21 days before the payment due date has created severe implementation problems.

Houston Police Federal Credit Union provides services to our members, which include, combined statements with savings, checking and loan account information. We also provide the men and women who provide and support law enforcement services to our city with the ability to choose biweekly payments on their loans and coincide these due dates with when they receive their city paycheck.

To comply with the 21-day rule Houston Police Federal Credit Union will be required to provide separate statements with separate drop dates, review and change due dates and credit reporting codes and implement significant policy and procedure changes.

The manpower costs combined with the vendor charges will be an undue burden on the credit union and inevitably the costs will have to be passed on to the membership. This seems to be an indirect contrast to the "pro-consumer" point of the legislation. Our members bear the cost of compliance.

In light of these issues, it is critical that the Board use its authority under the Truth In Lending Act, as it has when implementing previous TILA amendments, to allow more time for credit unions to comply with these provisions so that we may not be subjected needless legal challenges and expense.

Due to the vital importance of this issue to Houston Police Federal Credit Union, all credit unions, I urgently request the delay of implementation.

Sincerely,

Kimberly Foster  
Executive Vice President  
Houston Police Federal Credit Union